Dr. Daniel H. López

President

New Mexico Institute of Mining and Technology

Testimony

Before the Committee on Resources

United States House of Representatives

Hearing on the Domestic Energy Production

through Offshore Exploration and Equitable Treatment

of State Holdings Act of 2006

June 14, 2006

Mr. Chairman, Members of the Committee:

I am Dr. Daniel H. López, president of the New Mexico Institute of Mining and Technology. New Mexico Tech, as it commonly known today, is a historic institute of higher education which was established in Socorro, New Mexico, by territorial legislation in 1889. Its founding charter set the course for New Mexico Tech to become one of the nation's premier institutes of mining and petroleum engineering research and education. New Mexico Tech offers academic degrees from bachelor's of science to the Ph.D. in both its mineral and petroleum engineering programs, and its graduates have gone on to make lasting marks throughout the world at the forefront of mining and petroleum extraction and processing technology and management. In addition, the university is home to the world-renowned Petroleum Recovery Research Center, which is dedicated to developing enhanced recovery methods for existing oil and gas fields.

We in New Mexico recognize the national leadership of the Chairman, this Committee and its staff in restoring domestic natural resource development to its historical role in the economic growth and well-being of the country. New legislative initiatives and oversight hearings reestablishing a process toward a natural resource policy that has been stop and go for the last 25 years. The Energy Act of 2005 and its extension in HR 4761 are examples of what is required of public policy if the supply of energy is to meet projected consumption without economic recession.

It is time to establish an alliance between the interior oil and gas producing states, such as New Mexico, and the coastal states with off-shore resources. Inter-State competition can longer be afforded. Indeed, New Mexico Tech petroleum engineers are equally employed on both sea platforms in the Gulf of Mexico and in the high desert of the San Juan Basin in the State of New Mexico.

The nation's mining and petroleum schools, however, have lost human capital and program depth because of lower federal funding for the physical sciences, in contrast to the biological sciences which have, until recently, moved student career and research choices away from petroleum and mining. In particular, the surviving historic and established petroleum and mining schools, which are located mainly, but not exclusively in the West, have lost a generation of faculty and alumni just as the natural resource industry is top-heavy with near-retirement engineers and managers.

I am asking for support for Sections 23 the Energy and Minerals Schools Reinvestment Act and Section 12 of EMSRA which are inseparable from HR 4761.

The creation of a Federal Energy and Mineral Resources Professional Development Fund, reporting to the

Department of Interior, with funding from HR 4761 off-shore leasing revenue will begin to restore the petroleum and mining engineering andtechnological world leadership of the United States which has been maintained for more than two centuries. It means New Mexico Tech and similar institutions or programs, from West Virginia to Arizona, Pennsylvania to South Dakota, and others can build capacity in petroleum and mining teaching and research that would attract the best and brightest faculty and students for the coming energy resource global competition.

Capacity building in petroleum and mining technology must include minoritieswho are under-represented in current management and workforce representationamong American natural resource companies. Section 12 of EMSRA offers "Career Technical Education" support for institutions with programs that can attract minority students who want two-year trades training that lead to jobs in petroleum and mining companies. New Mexico Tech has working relations with New Mexico two-year colleges that assist teaching and encourages advanced study for qualified students. We ask for support for Section 12 of EMSRA.

New Mexico Tech is also the leading national university research and training center for Homeland Security, ranging from first-responder, counter-terrorism training and explosives research. Passage and funding from HR 4761 will enable us to offer veterans of the Global War on Terrorism, with service in Iraq and Afghanistan, education and training in energy infrastructure protection and security with emphasis on pipelines, tank farms, off-shore oil and gas platforms, refineries and related information control centers. Energy infrastructure security programs for Veterans will be developed in cooperation with the Career Technical Education (Section 12 of EMSRA) centers with two-year programs.

The existing and historic state-chartered petroleum and mining schools, of which New Mexico Tech is one, can meet the challenges of the Energy Act of 2005 and HR 4761, which create incentives for energy supply development and expansion. But new energy exploration and production also require engineering and workforce expansion. EMSRA and its Career Technical Education provisions in Section 12 are needed to make the Energy Act of 2005 more effective. Oil gas crews and engineers are reported to be in short supply in Rocky Mountain areas. Unless we opt to become dependent not only on foreign oil, but also upon foreign oil engineers and workers in the field, passage of HR 4761 will need to become a reality as our next milestone in national energy policy.

Thank you.